

Montana expands CHIP eligibility, but White House seeks cut

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While potential federal budget cuts threaten to undermine it, the state's Child Health Insurance Program last week moved to expand the program's availability to uninsured Montana children.

The program provides health insurance to thousands of Montana's estimated 37,000 uninsured children.

It's designed as a safety net for families whose income is too high to qualify for Medicaid, but too low to allow them to buy health insurance on their own.

The program raised the maximum allowable income to qualify for the program to \$30,975, up from \$30,000 last year. Since the program also offers credit for work-related and child-care expenses - up to \$120 a month and \$200 a month respectively -- the maximum income allowed is actually a little higher.

"This will encourage some families to apply who have maybe applied before, or who think they're not eligible, to apply for the program," said Jackie Forba, CHIP bureau chief for the state Department of Public Health and Human Services.

Montana CHIP has a \$26.5 million budget for 2007, and can serve a maximum of 13,900 clients. Currently the program has 13,130 clients enrolled, 757 of them in Gallatin County.

However, President George W. Bush's proposed \$2.9 trillion federal budget for 2008 contains some potentially large monkey wrenches for the program.

A 10-year federal block grant in 1997 allowed the creation of state CHIP programs across the nation. That block grant is set to be reauthorized in September, but the level of funding it will receive is still in question.

Sen. Max Baucus, D-Mont., chairman of the powerful Senate Finance Committee, told Bush administration officials last week that continued adequate funding of the CHIP block grant is his No. 1 priority this year.

Experts working for Baucus' office say Bush has proposed spending \$4.8 billion on the program - far short of the \$12 billion to \$15 billion needed just to continue serving existing clients.

"If Congress were to enact the proposals, more than 1,000,000 children ... could lose health coverage," Baucus said in a press release. "This is unacceptable."

Another Bush proposal would force states to spend their annual federal CHIP block grant one year at a time, rather than over three years as currently allowed, a move that would make it much tougher for states to plan and run their programs, Baucus' office said

Baucus spokesman Barrett Kaiser said the senator would not allow CHIP programs nationwide to be threatened.

"As finance chairman, Max sets the priorities and the agenda," Kaiser said. "He is making CHIP his top priority because it's so important to providing health care to Montana families."